

**APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER
OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF
NEVADA HERETOFORE APPROPRIATED**

Date of filing in State Engineer's Office MAY 20 2003

Returned to applicant for correction _____

Corrected application filed _____

Map filed JAN 20 2001 under 66868

The applicant **Douglas County**, hereby makes application for permission to change the **Point of Diversion and Place of Use of a portion** of water heretofore appropriated under Permit **54651**

1. The source of water is **Underground (South Airport Well)**
2. The amount of water to be changed **0.1118 c.f.s. (43.84 acre-feet)**
3. The water to be used for **Quasi-Municipal & Domestic**
4. The water heretofore permitted for **Quasi-Municipal and Domestic**
5. The water is to be diverted at the following point **SE¼ NE¼ of Section 17, T.13N., R.20E., M.D.B.&M., or at a point from which the center of said Section 17 bears S. 86°50'38" W., a distance of 1,870 feet.**
6. The existing permitted point of diversion is located within **NE¼ SW¼, Section 29, T.14N., R.20E., M.D.B.&M., or at a point from which the SE Corner of said Section 29 bears S. 45°17'30" E., a distance of 3765 feet.**
7. Proposed place of use **See Exhibit A & refer to map filed under Permit 63817-T**
8. Existing place of use **NW¼, N½ SW¼, Section 28; NE¼, N½ SE¼, SE¼ SE¼, Section 29, T.14N., R.20E., M.D.B.&M.**
9. Use will be from **January 1 to December 31** of each year.
10. Use was permitted from **January 1 to December 31** of each year.
11. Description of proposed works **Drilled well, ½ mile of 24" pipeline & ¼ mile 16" pipeline to connect with Douglas County East Valley water system (completed).**
12. Estimated cost of works **\$600,000**
13. Estimated time required to construct works **Completed**
14. Estimated time required to complete the application of water to beneficial use **Ten (10) years**
15. Remarks: **Water is being transferred for the purpose of serving a total of 52 single family units and open space in Phase VII of the Saratoga Springs Development. Total combined duty with application to change portion of Permit 54652 is not to exceed 43.84 acre-feet. Refer to map on file under Permit 54651 for existing point of diversion and place of use.**

By **Gregory M. Bilyeu - Agent**
s/**Gregory M. Bilyeu**
500 Damonte Ranch Parkway, Suite 1056
Reno, NV 89521

Compared cmf/cac ag/ cmf

Protested _____

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit to change the point of diversion and place of use of a portion of the waters of an underground source as heretofore granted under Permit 54651 is issued subject to the terms and conditions imposed in said Permit 54651 and with the understanding that no other rights on the source will be affected by the change proposed herein. The well shall be equipped with a 2-inch opening and a totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of the water begins or before the proof of completion of work is filed. If the well is flowing, a valve must be installed and maintained to prevent waste. This source is located within an area designated by the State Engineer pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The total combined duty of water under Permits 70037 and 70038 shall not exceed 43.84 acre-feet annually.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

Monthly records shall be kept of the amount of water pumped from this well and the records submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

The issuance of Permits 68744, 68745, 70037 and 70038, and the previously approved Permits 67437 and 67438 will reduce the total combined duty of water under Permits 54651 and 54652 by 162.64 acre-feet to 229.54 acre-feet.

(CONTINUED ON PAGE 3)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.1118 cubic feet per second, but not to exceed 43.84 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

N/A

Proof of completion of work shall be filed on or before:

N/A

Water must be placed to beneficial use on or before:

October 23, 2013

Proof of the application of water to beneficial use shall be filed on or before:

November 23, 2013

Map in support of proof of beneficial use shall be filed on or before:

N/A

IN TESTIMONY WHEREOF, I, HUGH RICKET, P.E.,

State Engineer of Nevada, have hereunto set
my hand and the seal of my office,

this 29th day of March, 2004


State Engineer

Completion of work filed MAY 19 2003 under 67437

Proof of beneficial use filed _____

Cultural map filed N/A

Certificate No. _____ Issued _____

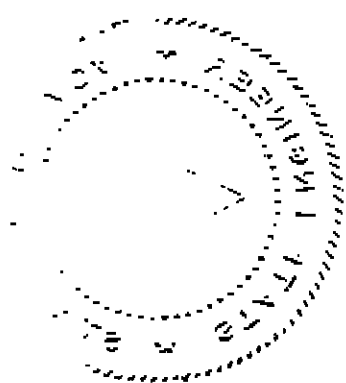


EXHIBIT "A"

Proposed Place of Use: The West 1/2 of Section 2; the Southwest 1/4 of the Northeast 1/4 of Section 2; the Northwest 1/4 of the Southeast 1/4 of Section 2; the South 1/2 of the Southeast 1/4 of Section 2; all of Section 3; the North 1/2 of Section 4; the Southwest 1/4 of Section 4; the North 1/2 of the Southeast 1/4 of Section 4; the Southeast 1/4 of the Southeast 1/4 of Section 4; all of Section 5; the East 1/2 of Section 6; the East 1/2 of Section 7; all of Section 8; the West 1/2 of Section 9; the East 1/2 of the Northeast 1/4 of Section 9; the North 1/2 of Section 10; the Northwest 1/4 of Section 11; the West 1/2 of the Northeast 1/4 of Section 11; a portion of the Northeast 1/4 of the Northeast 1/4 of Section 11; the Northwest 1/4 of Section 16; a portion of the Northwest 1/4 of the Southwest 1/4 of Section 16; the Northeast 1/4 of Section 17; a portion of the Northeast 1/4 of the Southeast 1/4 of Section 17; the North 1/2 of the Northwest 1/4 of Section 17; a portion of the North 1/2 of the Northeast 1/4 of Section 18; all within Township 13 North, Range 20 East, M.D.B. & M. The South 1/2 of the Southeast 1/4 of Section 20; the South 1/2 of the Southwest 1/4 of Section 21; the Southwest 1/4 of the Southeast 1/4 of Section 21; the Southwest 1/4 of Section 26; the Southeast 1/4 of Section 27; the West 1/2 of the Southwest 1/4 of Section 27; a portion of the Southeast 1/4 of the Southwest 1/4 of Section 27; all of Section 28; the South 1/2 of Section 29; the Northeast 1/4 of Section 29; the Southeast 1/4 of Section 30; the East 1/2 of Section 31; all of Sections 32, 33, and 34; the West 1/2 of Section 35; all within Township 14 North, Range 20 East, M.D.B. & M.

